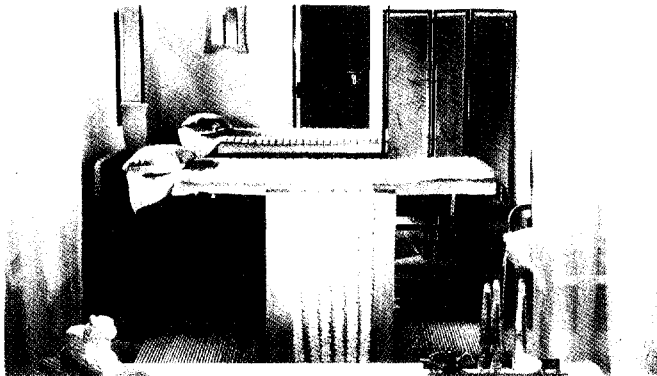




INDIAN RESORT HOTELS LIMITED
33RD ANNUAL REPORT 2004-05





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Annual General Meeting
at Bombay House Auditorium,
Bombay House,
on July 29, 2005
at 11.00 a.m.

INDIAN RESORT HOTELS LIMITED

DIRECTORS

R. K. KRISHNA KUMAR (CHAIRMAN)
N. A. SOONAWALA (Resigned w.e.f. 13.05.2005)
RAYMOND N BICKSON
ANIL P. GOEL (Appointed w.e.f. 21.10.2004)
ZUBIN DUBASH (Resigned w.e.f. 07.10.2004)
AJAY MISRA (Appointed w.e.f. 21.10.2004)
JAMSHED DABOO
I. M. KADRI
K. D. PARAKH
ANANT NARAIN SINGH
M. M. MADHVANI
R. V. PANDIT

COMPANY SECRETARY

BIPIN SINGH

COMMITTEES OF THE BOARD AUDIT COMMITTEE

I. M. KADRI (CHAIRMAN)
ZUBIN DUBASH (Resigned w.e.f. 07.10.2004)
ANIL P. GOEL (Appointed w.e.f. 21.10.2004)
K. D. PARAKH
ANANT NARAIN SINGH
R. V. PANDIT

SHAREHOLDERS'/INVESTOR GRIEVANCE COMMITTEE

RAYMOND N BICKSON (CHAIRMAN)
K. D. PARAKH
I. M. KADRI

AUDITORS

C. C. CHOKSHI & CO.
RSM & CO.
CHARTERED ACCOUNTANTS

BANKERS

CENTURIAN BANK LTD.
STATE BANK OF INDIA
BANK OF BARODA
BANK OF INDIA

REGISTERED OFFICE

MANDLIK HOUSE
MANDLIK ROAD
MUMBAI - 400 001.

WEBSITE

www.tajhotels.com

SHARE REGISTRY

M/S. TATA SHARE REGISTRY LIMITED
ARMY AND NAVY BUILDING
148, MAHATMA GANDHI ROAD
FORT, MUMBAI 400 001

THIRTY THIRD ANNUAL GENERAL MEETING
ON JULY 29, 2005, AT 11.00 A.M.
AT THE BOMBAY HOUSE AUDITORIUM,
BOMBAY HOUSE, 24, HOMI MODY STREET, MUMBAI - 400 001.

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HIGHLIGHTS	2004-2005	2003-2004
Gross Revenue (Rs. Lakhs)	3263.36	2661.41
Profit Before Tax (Rs. Lakhs)	1004.08	518.69
Profit After Tax (Rs. Lakhs)	651.11	283.92
Dividend (Rs. Lakhs)	289.46	162.82
Retained Earnings (Rs. Lakhs)	521.79	293.14
Funds Employed (Rs. Lakhs)	4486.89	4265.93
Net Worth (Rs. Lakhs)	4001.77	3680.72
Debt: Equity Ratio	0.02:1	0.05:1
Net Worth Per Equity Share (Rs.10/- each) (Rs.)	110.45	101.59
Earnings Per Equity Share (Rs. 10/- each) (Rs.)	17.99	7.85
Dividend Per Equity Share (Rs. 10/- each) (Rs.)	8.00	4.50

INDIAN RESORT HOTELS LIMITED**NOTICE**

Notice is hereby given that the **THIRTY THIRD ANNUAL GENERAL MEETING** of **INDIAN RESORT HOTELS LIMITED** will be held at the Bombay House Auditorium, Bombay House, 24 Homi Mody Street, Mumbai 400 001, on Friday, the 29th day of July, 2005, at 11.00 a.m. to transact the following business :-

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2005, and the Balance Sheet as at that date together with the Report of Board of Directors and the Auditors thereon.
- 2) To declare a dividend on equity shares.
- 3) To appoint a Director in place of Mr. Jamshed Daboo who retires by rotation and is eligible for re-appointment.
- 4) To appoint a Director in place of Mr. I. M. Kadri who retires by rotation and is eligible for re-appointment.
- 5) To appoint a Director in place of Mr. R. V. Pandit who retires by rotation and is eligible for re-appointment.
- 6) To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:**7. Appointment of Mr. Ajoy Misra as a Director of the Company**

To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 262 of the Companies Act, 1956, read with Article 159 of the Articles of Association of the Company, Mr. Ajoy Misra who was appointed as a Director of the Company with effect from October 21, 2004 in the casual vacancy caused by the resignation of Mr. Zubin Dubash and who holds office upto the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 257 of the Companies Act, 1956, alongwith the prescribed deposit, proposing Mr. Ajoy Misra as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company.”

8. Appointment of Mr. Anil P. Goel as a Director of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Anil P. Goel who was appointed as an Additional Director of the Company by the Board of Directors of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, read with Article 158 of the Articles of Association of the Company with effect from October 21, 2004 and who holds office upto the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 257 of the Companies Act, 1956, alongwith the prescribed deposit, proposing Mr. Anil P Goel as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company.”

9. Amendment to the Articles of Association of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, Article 154 of the Articles of Association of the Company be substituted by the following Article :-

A Director, other than a whole time Director, shall be entitled to receive remuneration by way of a fee for each meeting of the Board or a Committee thereof attended by him. The amount of such fee payable for each of the meetings of the Board or Committee thereof attended by such Director shall not exceed such sum as may be prescribed by the Central Government. Subject as aforesaid, the Directors may allow and pay to any Director, who is not a **bona fide** resident in Mumbai, and who shall come to Mumbai, for the purpose of attending a meeting, such a Directors may consider fair compensation for his expenses and loss of time in connection therewith in addition to his fee for attending such meeting as above.”

NOTES :

- a. The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of business under Item Nos.7, 8 & 9 above and relevant particulars pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchange regarding Directors seeking re-appointment / appointment, are annexed herewith.

THIRTY-THIRD ANNUAL REPORT 2004-2005

- b. MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- c. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 15, 2005, to Friday, July 29, 2005, both days inclusive
- d. The dividend on Equity Shares, as recommended by the Directors, if declared at the Annual General Meeting, will be paid on or after August 01, 2005, to those Members whose names appear on the Company's Register of Members as on July 29, 2005. As regards shares held in electronic form, the dividend will be payable to the 'beneficial owners' of the shares whose names appear in the Statement of Beneficial Owners furnished by National Securities Depository Limited and the Central Depository Services (India) Limited as at the close of business hours as on July 14, 2005.
- e. Members/Proxies should bring the attendance slip sent herewith, duly filled in, for attending the meeting.
- f. Dividends remaining unclaimed for seven years from the date they first became due for payment are now required to be transferred to the "Investor Education and Protection Fund" established by the Central Government, under the amended provisions of the Companies Act, 1956. Members shall not be able to claim any unpaid dividend from the said Fund or the Company thereafter. It may be noted that unpaid dividend for the financial year ended March 31, 1998, is due to be transferred to the Investor Education and Protection Fund on December 09, 2005.
- g. To avoid loss of dividend warrants in transit and undue delay in the receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through Electronic Clearing System (ECS). The ECS facility is available at locations identified by the Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in a physical form and who are desirous of availing this facility are requested to contact the Company's Investor Services Department at the Registered Office of the Company. Members holding shares in Electronic form are requested to contact their Depository Participant.
- h. Members holding shares in physical form are requested to kindly notify Tata Share Registry Limited, the Share Transfer Agents of the Company, of any change in their addresses so as to enable the Company to address future communications to their correct addresses. Members holding shares in electronic form may notify the change in address to their Depository Participant.
- i. Members desiring any information as regards the accounts are requested to write to the Company Secretary at an early date so as to enable the Management to reply at the Meeting.
- j. Members are requested to kindly bring their copies of the Annual Report to the Meeting.

Date: May 13, 2005.
Place: Mumbai

By Order of the Board of Directors

Registered Office:
Mandlik House
Mandlik Road
Mumbai 400 001.

Bipin Singh
Company Secretary

INDIAN RESORT HOTELS LIMITED**EXPLANATORY STATEMENT**

As required by Section 173(2) of the Companies Act, 1956.

1. The following Explanatory Statement sets out all the material facts relating to the business under Item No. 7, 8 & 9 of the accompanying Notice dated May 13, 2005.

Item No. 7

2. During the year under review, Mr. Zubin Dubash resigned as Director of the Company effective October 07, 2004. The Board wishes to place on record, its appreciation of the valuable services rendered by Mr. Zubin Dubash during his tenure as a Director of the Company.

Mr. Ajoy Misra was appointed as a Director on the Board of the Company with effect from October 21, 2004, to fill in the casual vacancy caused by the resignation of Mr. Zubin Dubash. Pursuant to Section 262 of the Companies Act, 1956, read with Article 159 of the Articles of Association of the Company, Mr. Ajoy Misra holds office as Director of the Company up to the date Mr. Zubin Dubash would have otherwise held office i.e. the date of the ensuing Annual General Meeting of the Company. The Company has received a notice pursuant to Section 257 of the Companies Act, 1956, from a Member of the Company along with the prescribed deposit proposing Mr. Ajoy Misra as a candidate for the office of Director of the Company at the forthcoming Annual General Meeting.

3. The Board considers it desirable that Mr. Misra be appointed as a Director of the Company and accordingly commends the resolution at Item No. 7 of the accompanying Notice for acceptance by the Members.
4. Mr. Misra may be deemed to be concerned or interested in the resolution at Item No.7 of the accompanying Notice, since it relates to his appointment as a Director of the Company.

Item No. 8

5. The Board of Directors of the Company appointed Mr. Anil P. Goel as an Additional Director of the Company on October 21, 2004. Pursuant to Section 260 of the Companies Act, 1956, read with Article 158 of the Articles of Association of the Company, Mr. Anil P. Goel holds office as Director up to the date of the forthcoming Annual General Meeting, but is eligible for appointment. The Company has received a notice pursuant to Section 257 of the Companies Act, 1956, from a Member of the Company along with the prescribed deposit proposing Mr. Goel as a candidate for the office of Director of the Company at the forthcoming Annual General Meeting.
6. The Board considers it desirable that Mr. Goel be appointed as a Director of the Company and accordingly commends the resolution at Item No. 8 of the accompanying Notice for acceptance by the Members.
7. Mr. Goel may be deemed to be concerned or interested in the resolution at Item No.8 of the Notice, since it relates to his appointment as a Director of the Company.

Item No. 9

8. Article 154 of the Articles of Association of the Company provides for payment of remuneration to the Director of the Company for each meeting of the Board of Directors attended by him. It is now proposed to include payment of such remuneration to a Non-executive Director for attending meetings of a Committee of Directors as well. The Articles are accordingly proposed to be altered to reflect this intent.
9. A copy of the Memorandum and Articles of Association of the Company together with the proposed changes is available for inspection at the Registered Office of the Company between 3.00 p.m. to 5.00 p.m., on all working days of the Company.
10. The Directors commend the resolution for acceptance by the Members.
11. The Non-executive Directors maybe deemed to be concerned or interested in the resolution at Item No. 9 of the accompanying Notice to the extent such remuneration maybe paid to them for attending meetings of the Board or any Committees thereof.

Date: May 13, 2005.

Place: Mumbai

By Order of the Board of Directors

Registered Office:

Mandlik House
Mandlik Road
Mumbai 400 001.

Bipin Singh
Company Secretary

THIRTY-THIRD ANNUAL REPORT 2004-2005

Details of the Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting of the Company
(Pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchange)

Name of the Director	Mr. Jamshed Daboo	Mr. R. V. Pandit	Mr. I. M. Kadri	Mr. Ajoy Misra	Mr. Anil P. Goel
Date of Birth	September 10, 1962	November 11, 1932	December 01, 1929	April 29, 1957	May 20, 1957
Date of Appointment	January 24, 2001	January 28, 1974	November 07, 1980	October 21, 2004	October 21, 2004
Expertise in specific functional areas	Management	Management in Media	Architecture	Sales and Marketing	Finance and Strategic Planning
Qualifications	B.E. (Mech.), PGDBM (Marketing & Finance)	Privately Educated	B. E. (Civil)	B.E.(Civil), MBA (Marketing)	B.Com, ACA
List of Companies in which outside Directorship held as on March 31, 2005	Indian Companies: <ol style="list-style-type: none"> 1. Asia Pacific Hotels Ltd. 2. Benares Hotels Ltd. 3. Gateway Hotels & Getaway Resorts Ltd. 4. Indian Dairy Entrepreneurs Agricultural Co. Ltd. 5. Northern India Hotels Ltd. 6. Taj Karnataka Hotels & Resorts Ltd. 7. Taj Kerala Hotels & Resorts Ltd. 8. Taj Madurai Ltd. 9. Taj Trade & Transport Co. Ltd. 10. Taj Wilderness Lodges Limited 	Indian Companies: <ol style="list-style-type: none"> 1. Pan Music & Magazines Ltd. 2. IPF Online Ltd. 3. Business Press Pvt. Ltd. 	Indian Companies: <ol style="list-style-type: none"> 1. Jet Airways (India) Ltd. 2. Kadri Consultants Pvt. Ltd. 	Indian Companies : <ol style="list-style-type: none"> 1. Oriental Hotels Ltd. 2. Piem Hotels Ltd. 3. Asia Pacific Hotels Ltd. 4. Northern India Hotels Ltd. 5. Taj Karnataka Hotels & Resorts Ltd. 6. Taj Madras Fight Kitchen Private Ltd. 	Indian Companies: <ol style="list-style-type: none"> 1. Oriental Hotels Ltd. 2. Taj GVK Hotels & Resorts Ltd. 3. Piem Hotels Ltd. 4. Roots Corporation Ltd. 5. Taj Investment & Finance Company Ltd. 6. Taj Kerala Hotels & Resorts Ltd. 7. Taj SATS Air Catering Ltd. 8. Sri Tripura Sundari Hotels Ltd.
Chairman / Member of the *Committees of other Companies on which he is a Director as on March 31, 2005	<ol style="list-style-type: none"> 1. Taj Kerala Hotels & Resorts Ltd. - Audit 2. Asia Pacific Hotels Ltd. - Audit 	Nil	Nil	Nil	<ol style="list-style-type: none"> 1. Taj Investment & Finance Company Ltd.-Audit- Chairman 2. Taj SATS Air Catering Ltd.- <ol style="list-style-type: none"> a. Remuneration b. Audit 3. Taj GVK Hotels & Resorts Ltd.- <ol style="list-style-type: none"> a. Audit b. Share Transfer & Investors' Grievance 4. Piem Hotels Ltd- Audit 5. Roots Corporation Ltd. - Audit

* The Committees include the Audit Committee, the Remuneration/Compensation Committee and the Shareholders'/Investor Grievance Committee.

DIRECTORS' REPORT**TO THE MEMBERS,**

The Directors hereby present the Thirty Third Annual Report of the Company together with the Audited Statements of Account for the financial year ended March 31, 2005, and the Balance Sheet as at that date:

FINANCIAL RESULTS**Rupees**

Particulars	2004-2005	2003-2004
Total Income	32,63,35,792	26,61,41,097
Gross Profit for the year	12,16,31,144	7,34,98,971
Less: Depreciation	2,00,74,494	1,92,89,836
Interest	11,48,754	23,40,302
Profit Before Tax	10,04,07,896	5,18,68,833
Less : Provision For Tax :		
— Current	3,18,50,000	1,25,00,000
— Deferred	22,27,414	17,96,537
Profit After Tax	6,63,30,482	3,75,72,296
Less: Provision for Income Tax in respect of earlier years (Net)	12,19,740	91,79,838
Less: Transfer to Foreign Exchange Earnings Reserve.	—	20,50,000
Add: Balance brought forward from previous year.	1,77,31,617	1,25,96,835
Amount available for appropriations	8,28,42,359	3,89,39,293
The Directors have recommended a dividend of 80% i.e. Rs. 8/- per equity share. It may be noted that in respect of the previous year a dividend of 45% i.e. Rs. 4.50/- per equity share was declared and paid to the shareholders.		
Tax on Dividend	2,89,46,248	1,62,82,265
Amount transferred to General Reserve	40,59,711	20,86,165
Amount transferred to General Reserve	1,00,00,000	28,39,246
Balance carried to Balance Sheet	3,98,36,400	1,77,31,617

OPERATIONS

Financial Performance by the Fort Aguada Beach Resort (FABR) for the year ended March 31, 2005, saw a marked improvement over the previous year. The Company has achieved a significant growth during the year under review vis-a-vis competition and previous periods despite a significant increase in the supply of luxury rooms in Goa.

The Company's total income for the year was Rs. 3263.36 lacs as against Rs. 2661.41 lacs for the previous year.

Operating costs increased in line with the increased levels of activity. Operating cost was Rs. 2047.05 lacs for the year as compared with Rs. 1926.42 lacs for the previous year.

Profits before tax for the year amounted to Rs. 1004.08 lacs as against Rs. 518.69 lacs for the previous year, an increase of 94%.

Profit after tax grew by 129% to Rs. 651.10 lacs for the year as against Rs. 283.92 lacs for the previous year.

DIVIDEND

Taking into account the profits for the year and prospects for the future, your Directors have recommended a Dividend of 80% or Rs. 8/-per equity share of Rs. 10/- each.

FINANCE

The outstanding amount of fixed deposits placed with the Company amounted to Rs. 76.94 lacs (previous year Rs.199.45 lacs), including Rs. 4.84 lacs (previous year Rs. 6.55 lacs), which remained unclaimed by depositors as on March 31, 2005.

The Directors wish to place on record their appreciation of the cooperation received by the Company from the Company's Bankers.